

# The South Dakota Economy

August 4, 2015

## GDP by State

- During 2014, South Dakota's economy continued to grow as the current dollar Gross Domestic Product (GDP) by state totaled \$45.9 billion, growing 2.7% over 2013. This growth ranked 37<sup>th</sup> among the states and compares to the US growth of 3.9% over the same time period.
- South Dakota's real (inflation adjusted) GDP by state in 2014 increased at a rate of 0.6%, less than the US growth rate of 2.2% for 2014.
  - The below average growth rate for South Dakota in 2014 is partially due to a 10% decline in the agriculture, forestry, fishing, and hunting industry from the prior year. Every state in the plains region (ND, MN, SD, IA, NE, KS, and MO) realized declines in this particular industry in 2014.

## Employment growth in South Dakota

- In 2014, South Dakota nonfarm employment levels were 5,700 jobs higher than 2013, or an increase of 1.4%.
- In June 2015, total SD nonfarm employment was up 9,800 jobs or 2.3%, compared to June 2014.
  - All major employment sectors are currently experiencing year-over-year growth (June '15 compared to June '14 levels): manufacturing (+5.2%); logging, mining, and construction (+4.1%); leisure/hospitality (+3.8%); education and health services (+3.7%); other services (+3.2%); financial activities (+2.7%); trade, transportation, and utilities (+0.8%); professional and business services (+0.7%); and government (+0.6%).

## The unemployment rate continues to be one of the lowest in the nation

- The unemployment rate in South Dakota was the sixth lowest in the nation in June at 3.8%.
  - SD's unemployment rate in June was the same as last month and 0.4% higher than a year ago.
- The US unemployment rate was 5.3% in June 2015.

## Income growth in South Dakota

- South Dakota's preliminary personal income in 2014 increased 1.7% compared to 2013. This compares to the US growth rate of 3.9% over the same time period.
  - In 2014, South Dakota's farm income decreased 20.7% compared to 2013, which was the primary reason for the soft growth rate in total personal income in 2014. South Dakota nonfarm income grew 3.9%, slightly less than the national average growth rate of 4.1% in 2014.
- South Dakota's per capita personal income in 2014 was \$46,345, which ranked 21<sup>st</sup> in the nation, and was 0.5% higher than the US per capita personal income of \$46,129 during 2014.

## The housing market

- In the last twelve months (July 2014 – June 2015) there were 26 less single family housing units authorized by building permits in South Dakota than there were the same period before.\*
- The value of single family housing permits is \$8.62 million lower in the last twelve months compared to the same period the year before. \*

## The agricultural economy

- As of July 1<sup>st</sup>, South Dakota's 1,000+ capacity feedlots reported 230,000 cattle on feed for the slaughter market, which was up 18% from a year ago.
- Milk production in South Dakota during June of 2015 totaled 196 million pounds, up 12% from the same month a year ago. The average number of milk cows was 106,000 head, up 9,000 head compared to June of 2014.
- As of August 2<sup>nd</sup>, topsoil moisture supplies across the state were rated 31% short to very short while subsoil moisture supplies were rated 31% short to very short.
- As of August 2<sup>nd</sup>, corn condition was rated 95% fair to excellent, soybean condition rated 96% fair to excellent, and range and pasture conditions were rated 90% fair to excellent.
- Based on July 1<sup>st</sup> conditions, South Dakota's winter wheat crop is forecast at 39.4 million bushels, down 34% from last year's crop. Yield is forecast at 41 bushels, down 14 bushels per acre from last year.

\* Building permit statistics are from monthly reporting places only.

**Economic Indicators for the State of South Dakota for the latest 12 Month Period**

Category	Time Period												12 Month Avg/Total
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	
<b>Nonfarm Employment Data (information is seasonally adjusted by BLS and expressed in thousands)</b>													
<b>Total Nonfarm</b>	424.00	424.00	424.40	424.90	423.90	424.70	425.00	427.60	429.50	429.30	430.60	433.10	426.75
change from prior year	6.90	6.60	6.10	5.60	3.50	4.00	3.00	5.20	7.30	6.50	7.60	9.80	6.01
% change from prior year	1.65	1.58	1.46	1.34	0.83	0.95	0.71	1.23	1.73	1.54	1.80	2.32	1.43
<b>N.R., Mining &amp; Const.</b>	22.10	22.10	22.30	22.20	22.00	22.50	22.90	23.50	24.00	23.60	22.90	23.00	22.76
change from prior year	0.50	0.40	0.60	0.60	0.00	0.70	0.70	1.40	2.00	1.60	0.90	0.90	0.86
% change from prior year	2.31	1.84	2.76	2.78	0.00	3.21	3.15	6.33	9.09	7.27	4.09	4.07	3.92
<b>Manufacturing Employment</b>	42.30	42.60	42.60	42.70	42.90	43.20	43.60	43.50	43.30	44.20	44.30	44.30	43.29
change from prior year	0.90	1.10	1.30	1.30	1.50	1.70	2.00	1.80	1.40	2.10	2.30	2.20	1.63
% change from prior year	2.17	2.65	3.15	3.14	3.62	4.10	4.81	4.32	3.34	4.99	5.48	5.23	3.92
<b>Trade, Transp., &amp; Utilities</b>	86.30	86.40	86.20	85.80	85.40	85.90	86.50	86.80	87.20	87.00	86.70	86.50	86.39
change from prior year	2.50	2.80	2.40	1.60	1.10	1.30	1.60	1.50	1.90	1.40	1.20	0.70	1.67
% change from prior year	2.98	3.35	2.86	1.90	1.30	1.54	1.88	1.76	2.23	1.64	1.40	0.82	1.97
<b>Financial Activities</b>	29.60	29.60	29.60	29.40	29.60	29.50	29.50	29.20	29.50	29.40	30.00	30.30	29.60
change from prior year	(0.20)	(0.20)	(0.30)	(0.50)	(0.40)	(0.50)	(0.40)	(0.60)	(0.30)	(0.30)	0.40	0.80	(0.21)
% change from prior year	(0.67)	(0.67)	(1.00)	(1.67)	(1.33)	(1.67)	(1.34)	(2.01)	(1.01)	(1.01)	1.35	2.71	(0.70)
<b>Prof. and Business Services</b>	30.40	30.10	30.00	30.10	29.90	29.90	30.20	30.00	30.20	29.10	30.00	30.60	30.04
change from prior year	1.20	0.90	0.70	(0.10)	(0.40)	(0.40)	(0.10)	(0.20)	0.20	(1.20)	(0.40)	0.20	0.03
% change from prior year	4.11	3.08	2.39	(0.33)	(1.32)	(1.32)	(0.33)	(0.66)	0.67	(3.96)	(1.32)	0.66	0.11
<b>Educ. &amp; Health Services</b>	68.40	68.40	68.30	68.70	68.70	68.60	68.70	69.60	69.80	69.80	70.10	70.90	69.17
change from prior year	0.40	0.40	0.30	0.60	0.70	0.50	0.50	1.30	1.50	1.50	1.80	2.50	1.00
% change from prior year	0.59	0.59	0.44	0.88	1.03	0.73	0.73	1.90	2.20	2.20	2.64	3.65	1.47
<b>Leisure &amp; Hospitality</b>	45.00	45.10	45.50	45.90	45.30	45.00	44.50	45.40	45.10	45.80	46.40	46.80	45.48
change from prior year	0.20	0.40	0.80	1.00	0.20	(0.10)	(1.00)	(0.10)	(0.30)	0.50	0.90	1.70	0.35
% change from prior year	0.45	0.89	1.79	2.23	0.44	(0.22)	(2.20)	(0.22)	(0.66)	1.10	1.98	3.77	0.78
<b>Other Services</b>	15.90	15.80	15.80	15.70	15.80	16.00	15.70	16.00	16.30	16.10	16.00	16.30	15.95
change from prior year	0.00	0.00	(0.10)	(0.10)	(0.10)	0.20	(0.10)	0.30	0.50	0.30	0.20	0.50	0.13
% change from prior year	0.00	0.00	(0.63)	(0.63)	(0.63)	1.27	(0.63)	1.91	3.16	1.90	1.27	3.16	0.84
<b>Government</b>	77.90	77.90	78.10	78.40	78.20	78.00	77.40	77.60	78.00	78.30	78.20	78.50	78.04
change from prior year	1.30	0.80	0.40	1.10	0.80	0.50	(0.10)	(0.10)	0.40	0.70	0.40	0.50	0.56
% change from prior year	1.70	1.04	0.51	1.42	1.03	0.65	(0.13)	(0.13)	0.52	0.90	0.51	0.64	0.72
<b>NonFarm (excluding Govt.)</b>	346.1	346.1	346.3	346.5	345.7	346.7	347.6	350.0	351.5	351.0	352.4	354.6	348.71
change from prior year	5.6	5.8	5.7	4.5	2.7	3.5	3.1	5.3	6.9	5.8	7.2	9.3	5.45
% change from prior year	1.64	1.70	1.67	1.32	0.79	1.02	0.90	1.54	2.00	1.68	2.09	2.69	1.59

**Economic Indicators for the State of South Dakota for the latest 12 Month Period**

Category	Time Period												12 Month
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Avg/Total
<b>Number of Housing Units Authorized by Building Permits (information is not seasonally adjusted)*</b>													
<b>One-Family Units - S.D. Total</b>	242	203	244	239	107	107	90	119	239	267	210	208	2,275
change from prior year	(4)	(1)	(20)	22	(72)	24	14	44	81	(41)	(24)	(49)	(26)
<b>Total Family Units - S.D. Total</b>	310	343	265	450	110	468	133	206	404	377	346	301	3,713
change from prior year	(29)	(227)	(360)	165	(90)	273	(113)	90	(88)	(269)	(94)	(10)	(752)
<b>Total Family Units - Minnehaha Co.</b>	124	137	105	43	43	295	90	140	178	164	127	150	1,596
change from prior year	30	(231)	(75)	(83)	(28)	180	36	86	(187)	(288)	(144)	30	(674)
<b>Total Family Units - Pennington Co.</b>	36	26	28	14	14	115	14	39	132	33	22	26	499
change from prior year	(20)	2	(159)	(17)	(17)	92	(8)	21	71	(1)	(14)	(12)	(62)
<b>Value of Building Permits Issued (information is not seasonally adjusted and is expressed in millions of dollars)*</b>													
<b>One-Family units - S.D. Total</b>	47.43	37.56	42.78	28.04	22.39	21.33	15.93	22.37	42.36	47.11	40.13	43.05	410.49
change from prior year	5.86	0.50	(3.65)	(9.74)	(6.39)	6.01	1.84	6.49	12.15	(12.68)	(4.73)	(4.28)	(8.62)
<b>Total Family units - S.D. Total</b>	53.38	49.23	44.36	46.28	22.64	55.45	19.54	29.83	58.24	57.06	51.19	53.58	540.79
change from prior year	6.57	(17.00)	(32.28)	2.96	(9.34)	32.63	(8.40)	10.42	0.84	(32.44)	(11.57)	0.83	(56.78)
<b>Total Family Units - Minnehaha Co.</b>	21.07	21.41	18.60	8.33	8.33	31.49	10.47	16.09	22.79	23.19	19.90	23.91	225.56
change from prior year	4.31	(17.35)	(5.87)	(10.07)	(3.04)	20.53	2.97	7.84	(16.06)	(30.68)	(11.42)	4.15	(54.70)
<b>Total Family Units - Pennington Co.</b>	7.01	5.11	5.82	3.52	3.52	12.78	3.05	8.15	18.28	7.25	4.02	5.92	84.44
change from prior year	1.57	0.38	(12.67)	(1.79)	(2.97)	7.93	(0.24)	4.52	10.90	(0.28)	(3.46)	(0.83)	3.07

**Automobile Data (information is not seasonally adjusted)**

<b>New Non-Comm. Veh. Titled</b>	2,698	4,174	2,171	5,920	1,830	2,803	3,748	3,556	2,716	5,369	3,701	3,843	42,529
change from prior year	(1,069)	593	(1,569)	1,873	(1,093)	(618)	(566)	810	(113)	2,046	336	(1,034)	(404)

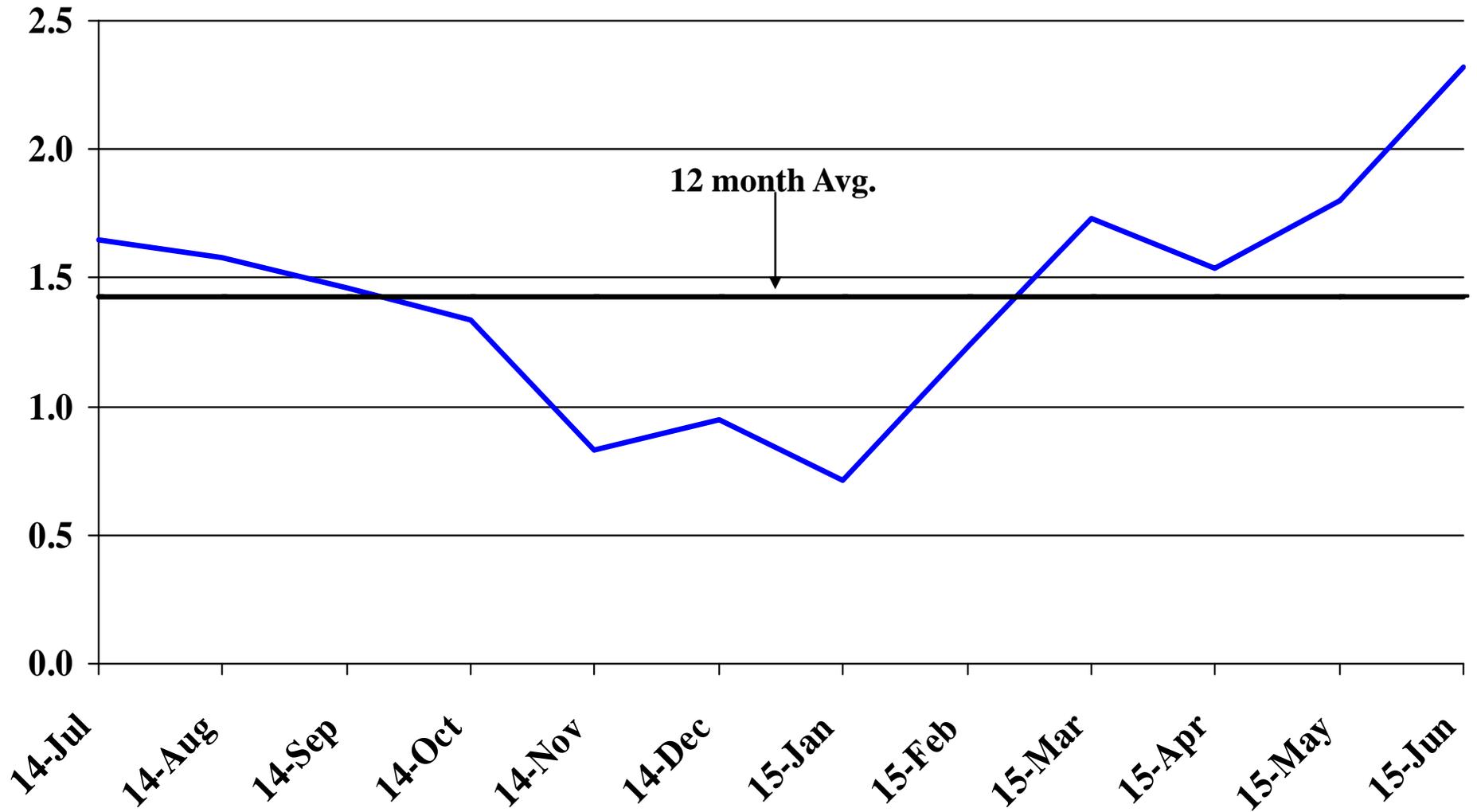
**Agriculture (information is not seasonally adjusted)**

<b>Wheat</b>	6.33	5.64	5.30	5.35	5.62	5.87	5.68	5.45	5.45	5.23	5.16	5.25	5.53
change from prior year	(0.85)	(1.19)	(1.30)	(1.34)	(1.00)	(0.61)	(0.78)	(1.25)	(1.60)	(1.76)	(2.10)	(1.58)	(1.28)
<b>Corn</b>	3.67	3.13	2.91	3.09	3.24	3.43	3.41	3.43	3.44	3.38	3.33	3.37	3.32
change from prior year	(2.91)	(2.86)	(2.55)	(1.13)	(0.74)	(0.53)	(0.70)	(0.67)	(0.66)	(0.81)	(0.91)	(0.69)	(1.26)
<b>Soybeans</b>	12.70	11.80	9.98	9.24	9.52	9.87	9.79	9.30	9.22	9.08	9.13	9.12	9.90
change from prior year	(2.20)	(2.00)	(2.82)	(3.06)	(2.68)	(2.83)	(2.71)	(3.40)	(4.78)	(4.62)	(4.87)	(4.78)	(3.40)
<b>Hay</b>	117.00	116.00	109.00	113.00	111.00	113.00	109.00	108.00	109.00	113.00	114.00	106.00	111.50
change from prior year	(61.00)	(43.00)	(19.00)	(46.00)	(37.00)	(26.00)	(26.00)	(18.00)	(14.00)	(14.00)	(17.00)	(20.00)	(28.42)

\* Housing permit statistics are from monthly reporting places only.

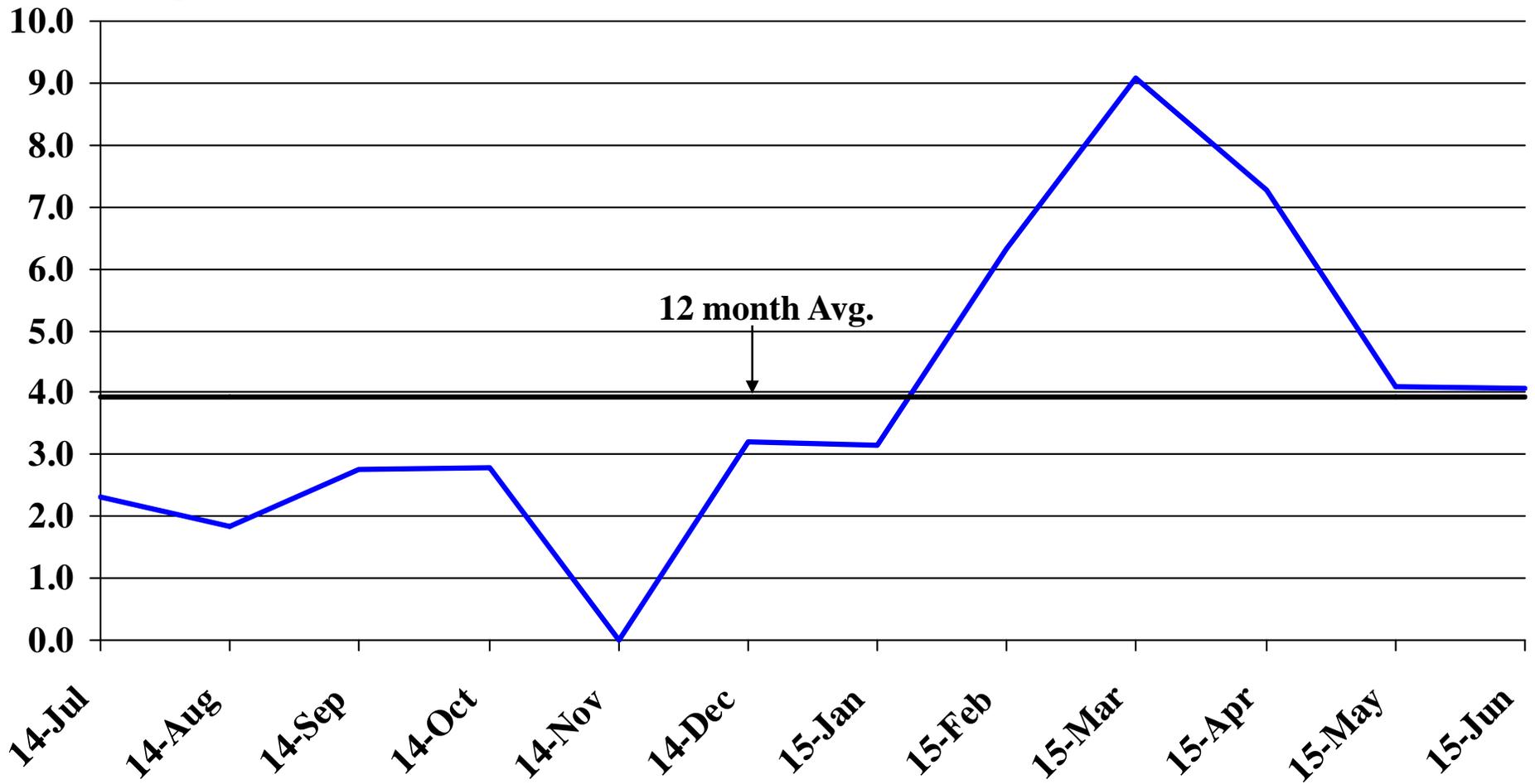
# Recent Trends in Nonfarm Employment

Percent Change



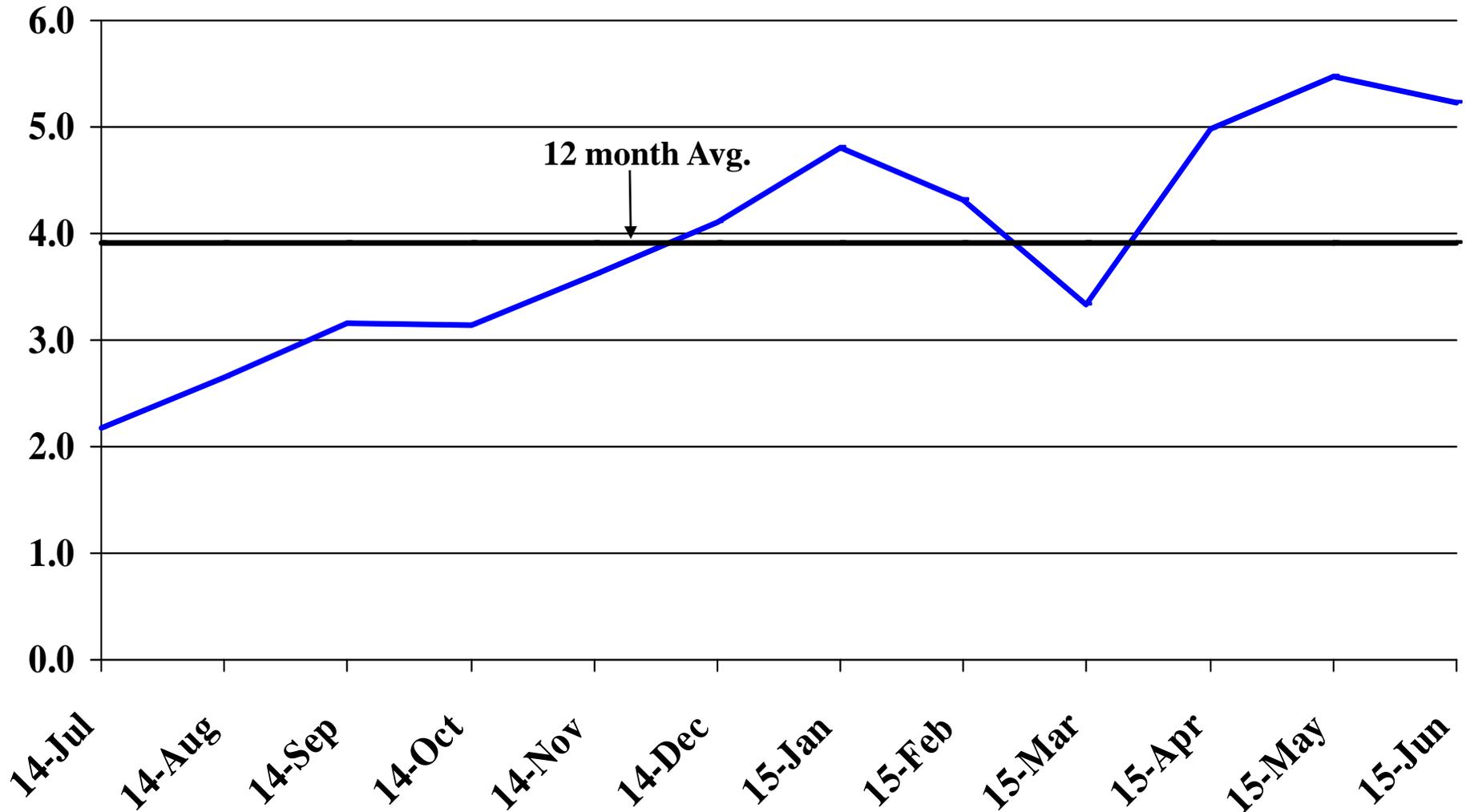
# Recent Trends in Natural Resources, Mining and Construction Employment

Percent Change



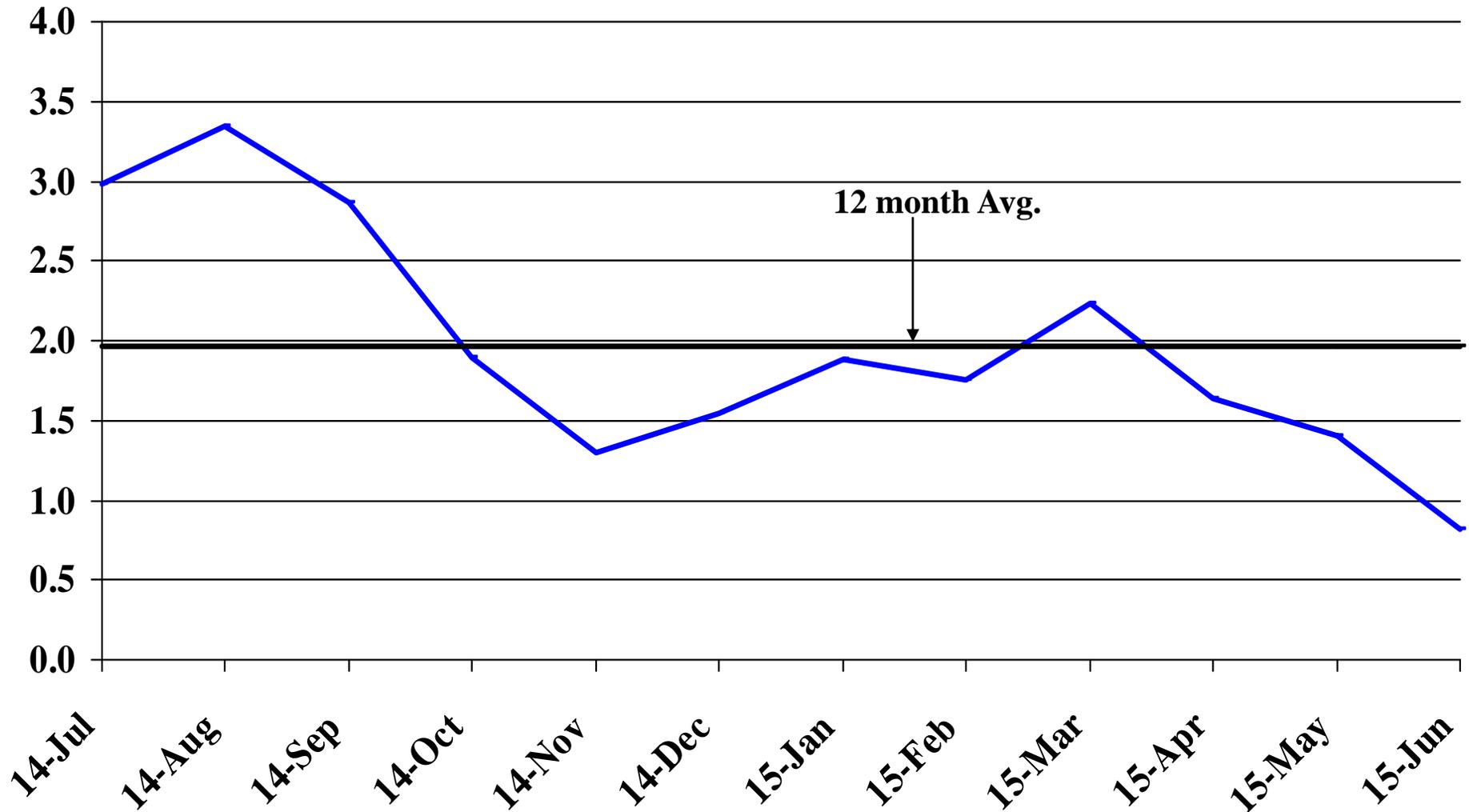
# Recent Trends in Manufacturing Employment

Percent Change



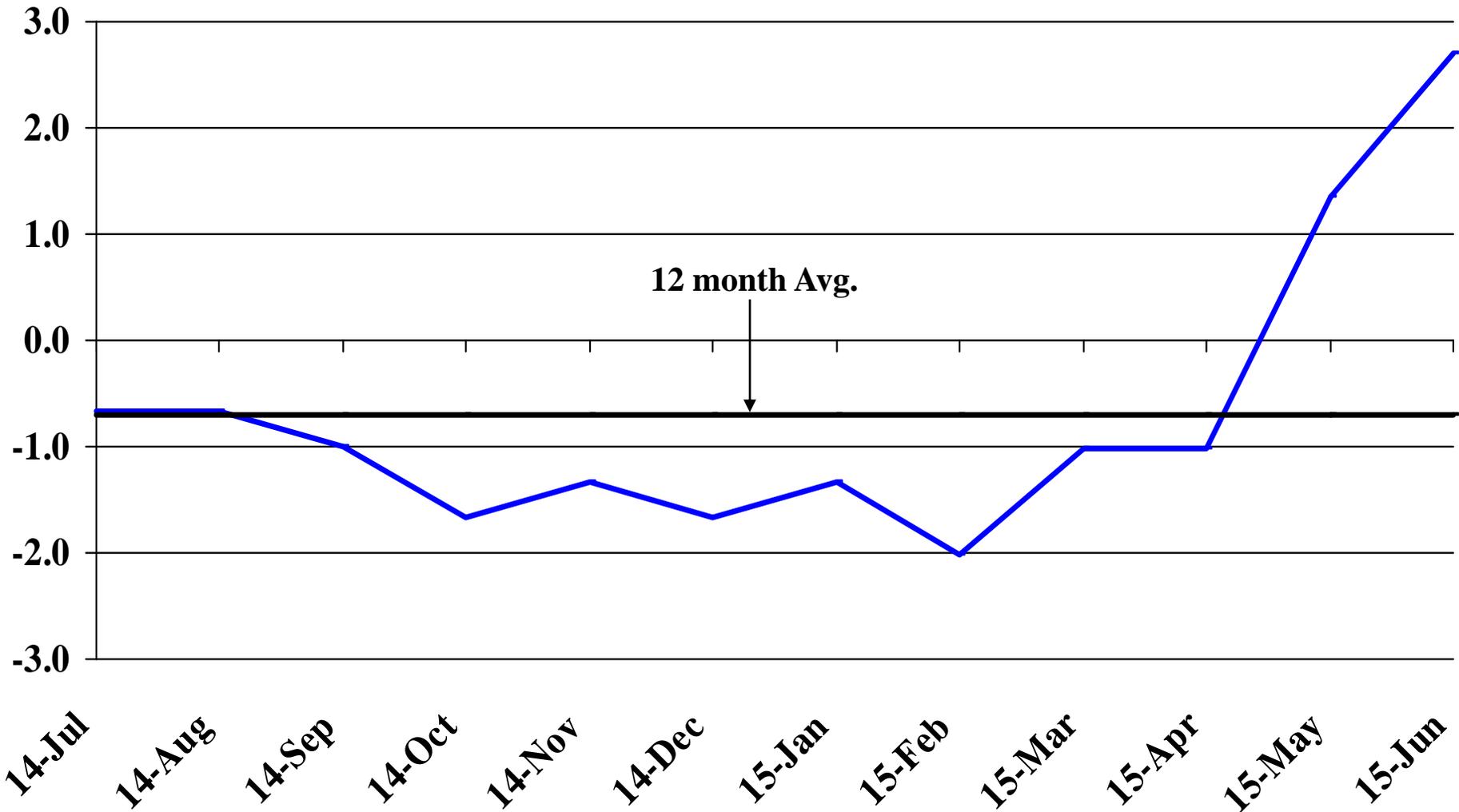
# Recent Trends in Trade, Transportation, and Utilities Employment

Percent Change



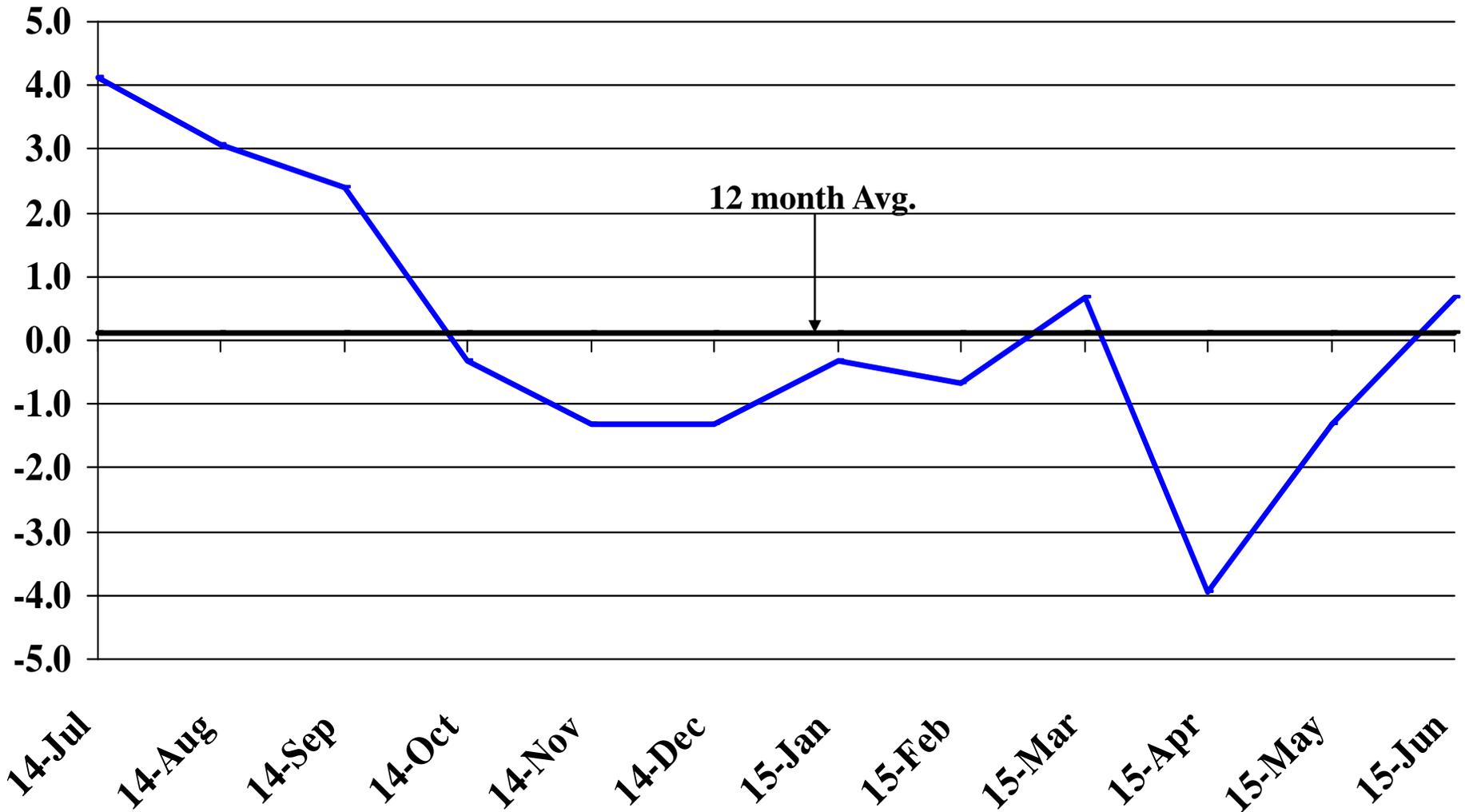
# Recent Trends in Financial Activities Employment

Percent Change



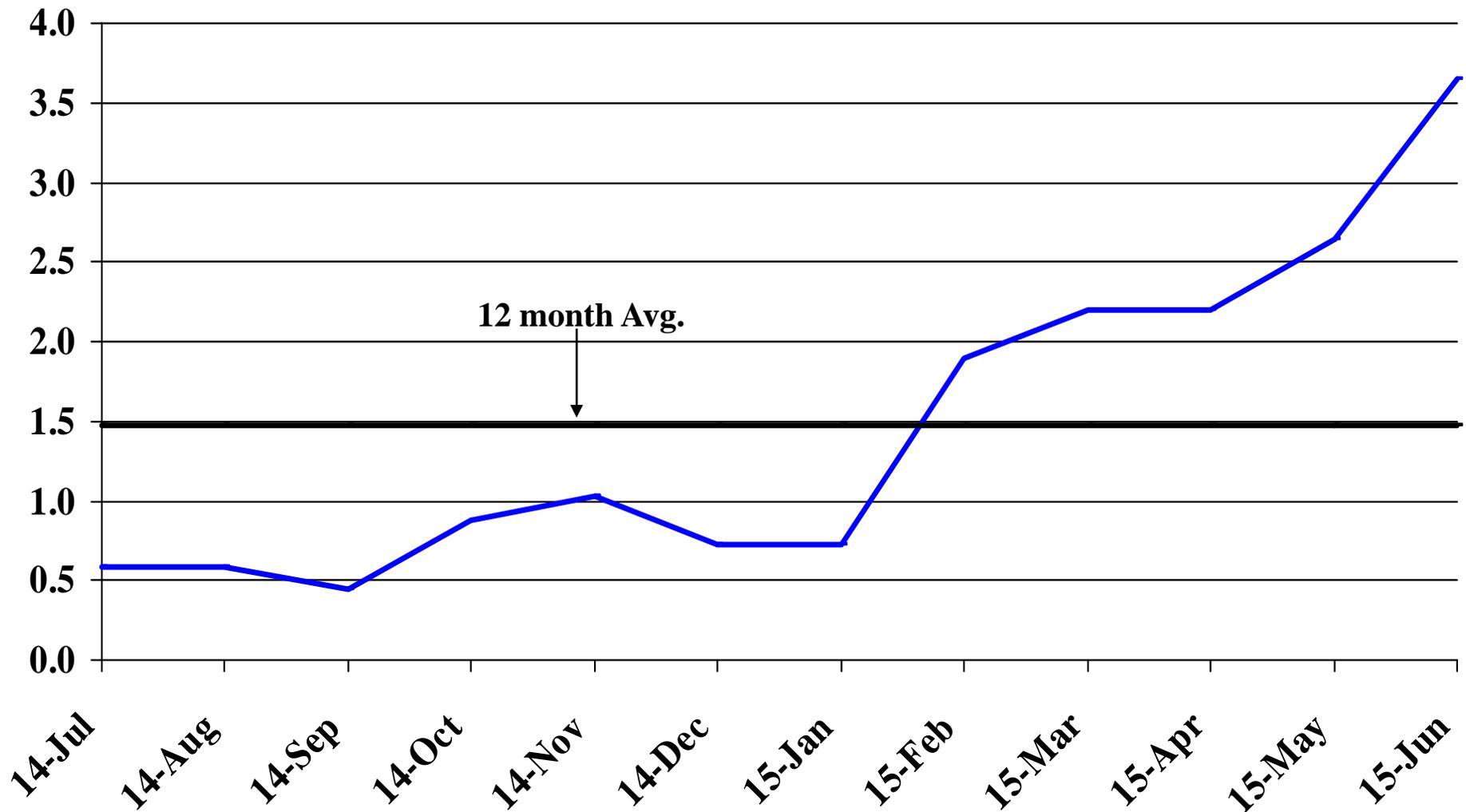
# Recent Trends in Professional and Business Services Employment

Percent Change



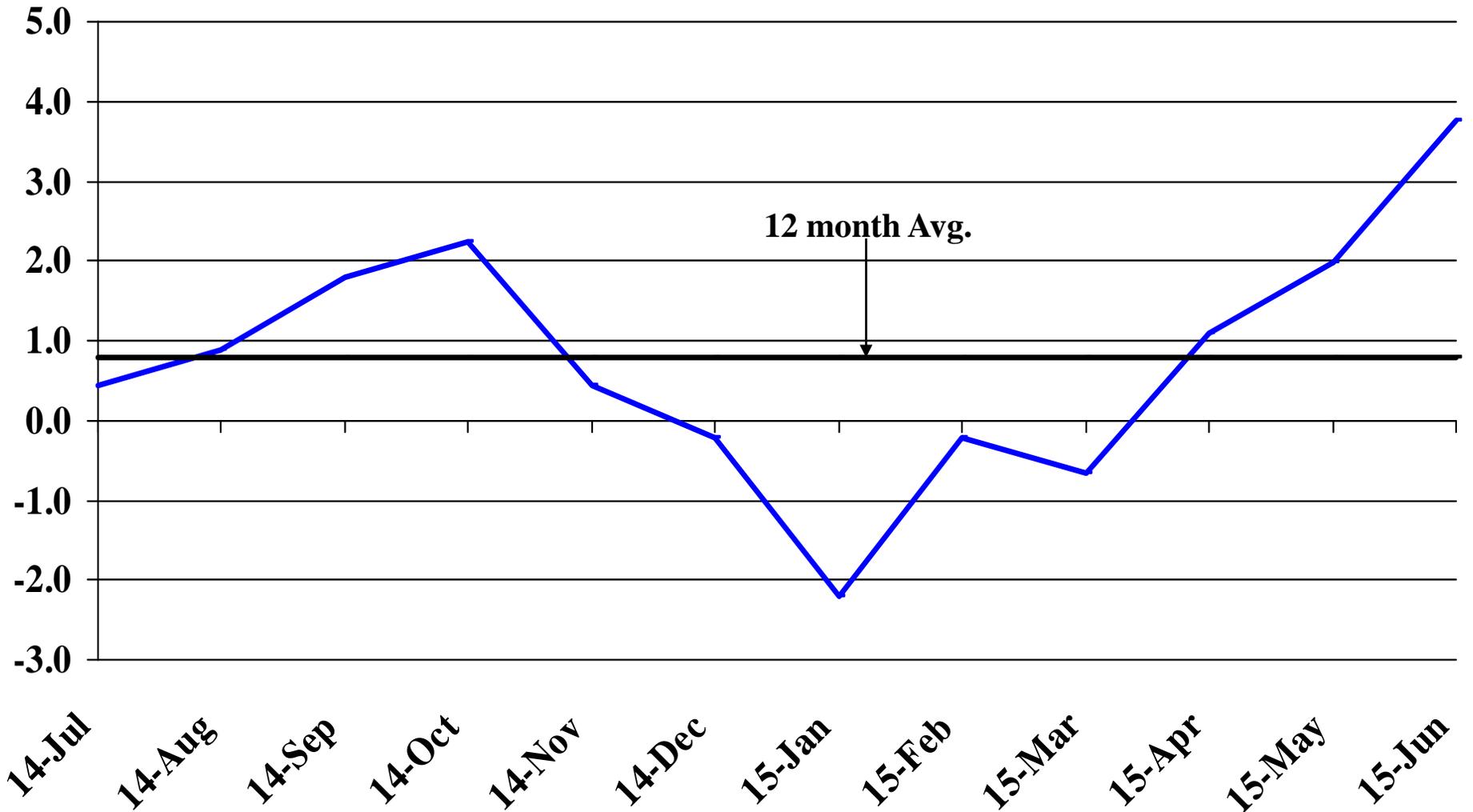
# Recent Trends in Educational and Health Services Employment

Percent Change



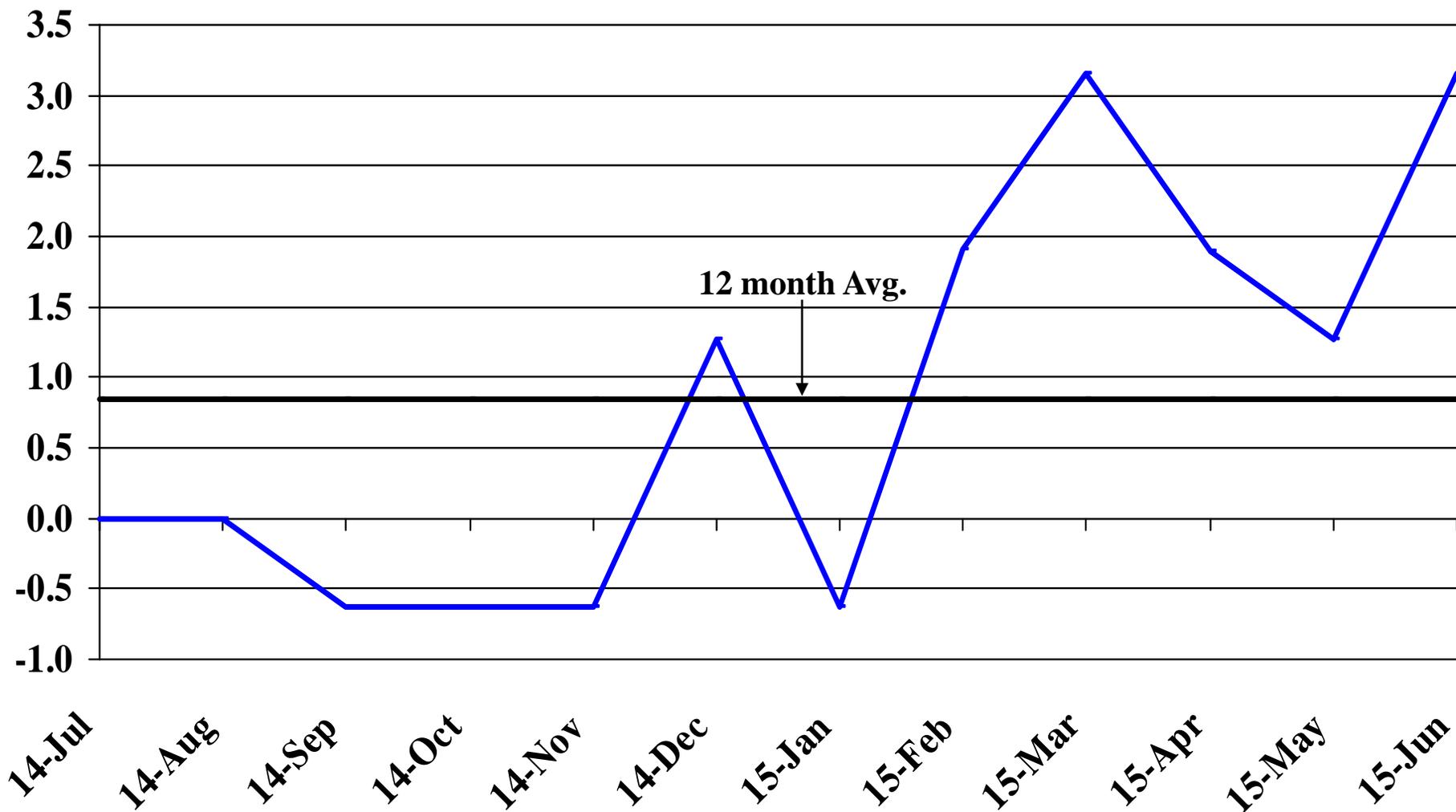
# Recent Trends in Leisure and Hospitality Employment

Percent Change



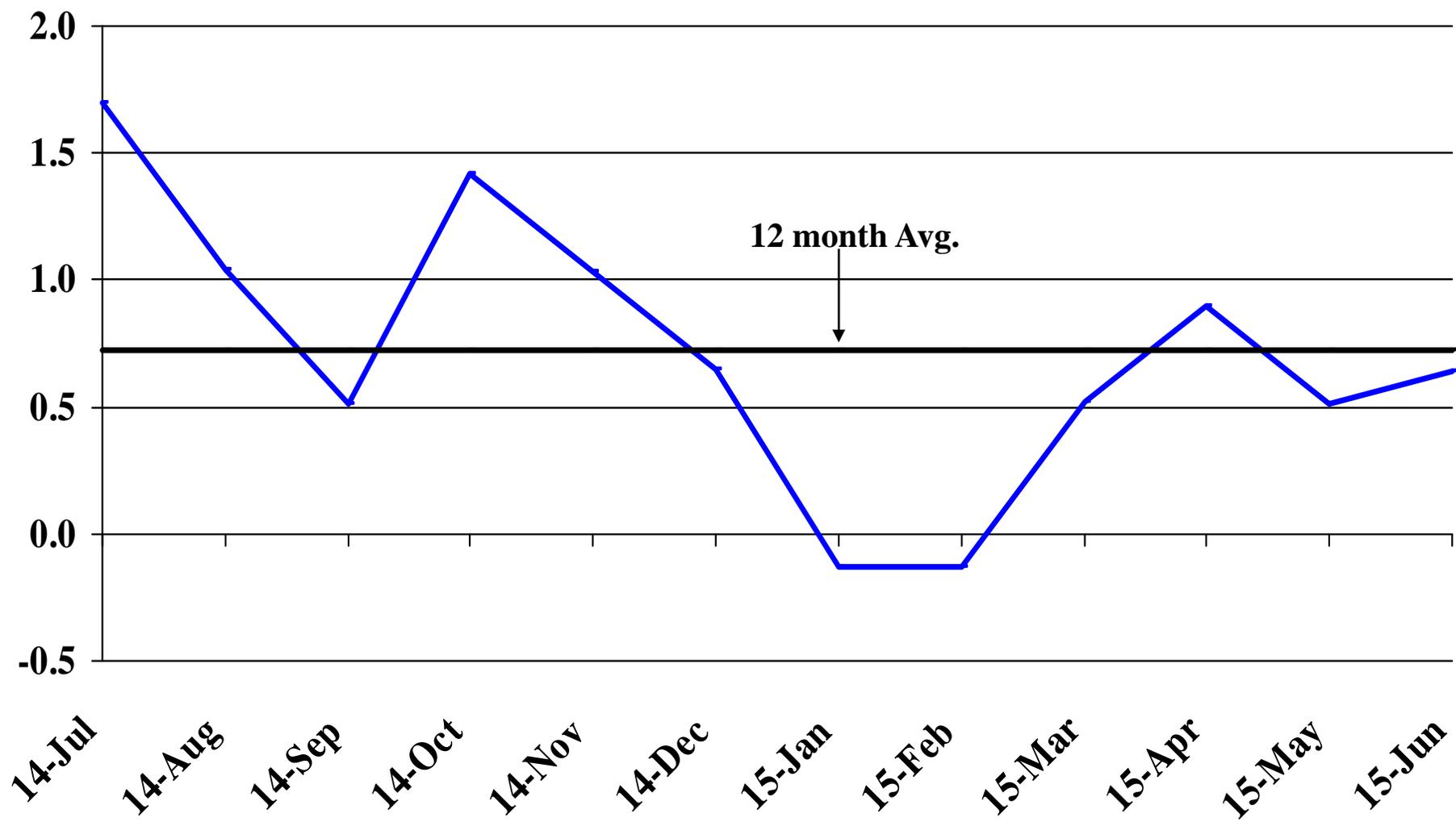
# Recent Trends in Other Services Employment

Percent Change



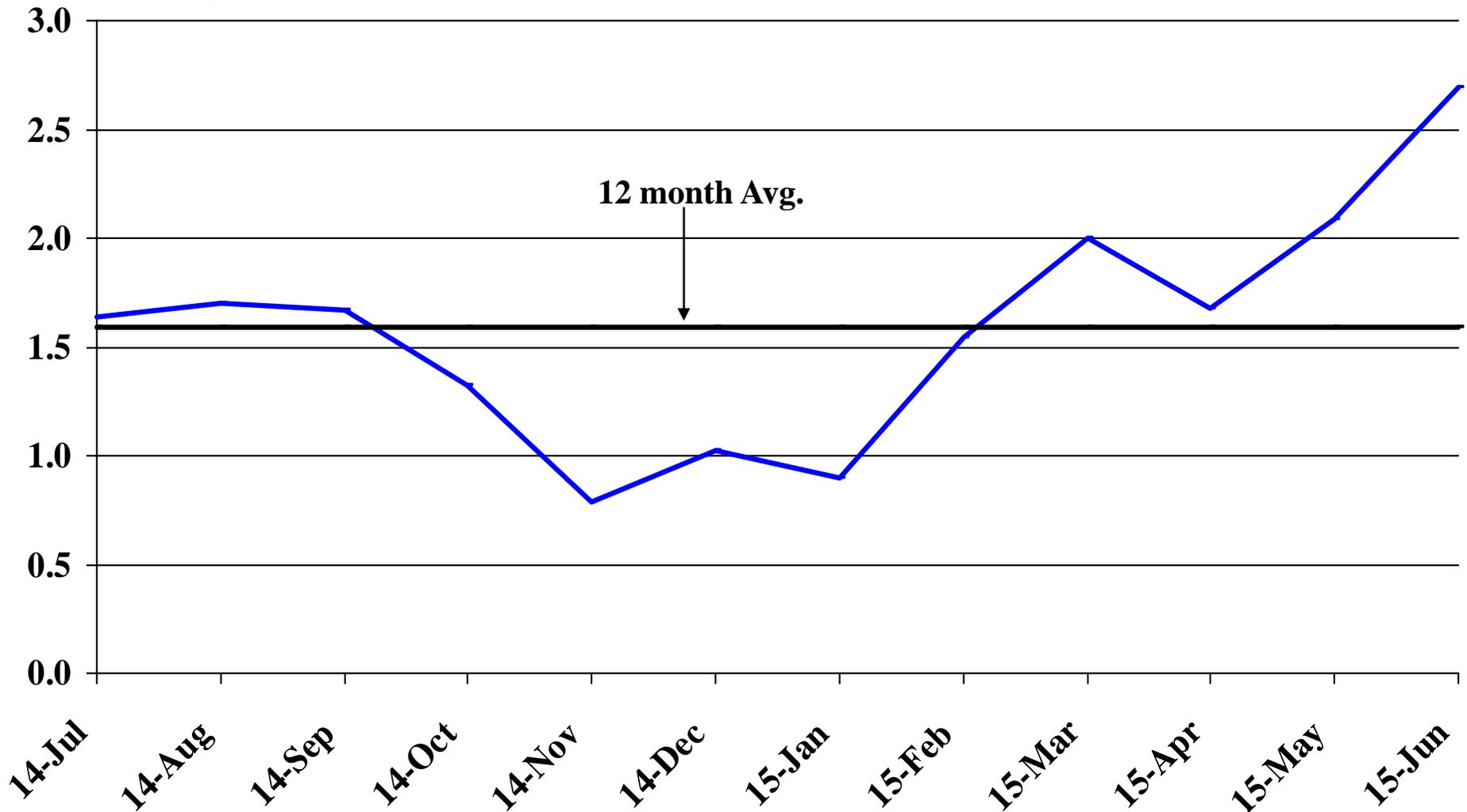
# Recent Trends in Government Employment

Percent Change

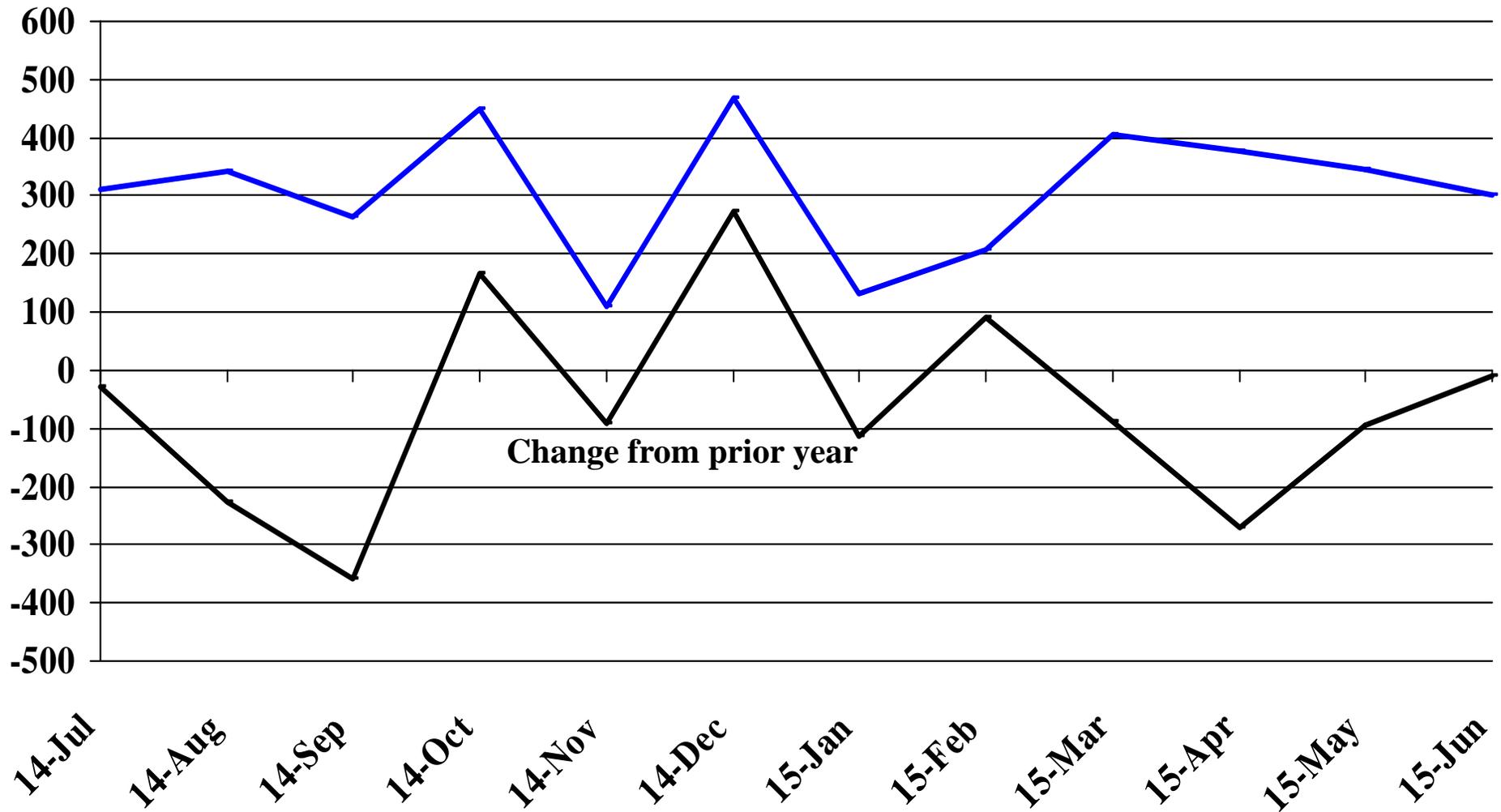


# Recent Trends in Nonfarm Employment (excluding Government Employment)

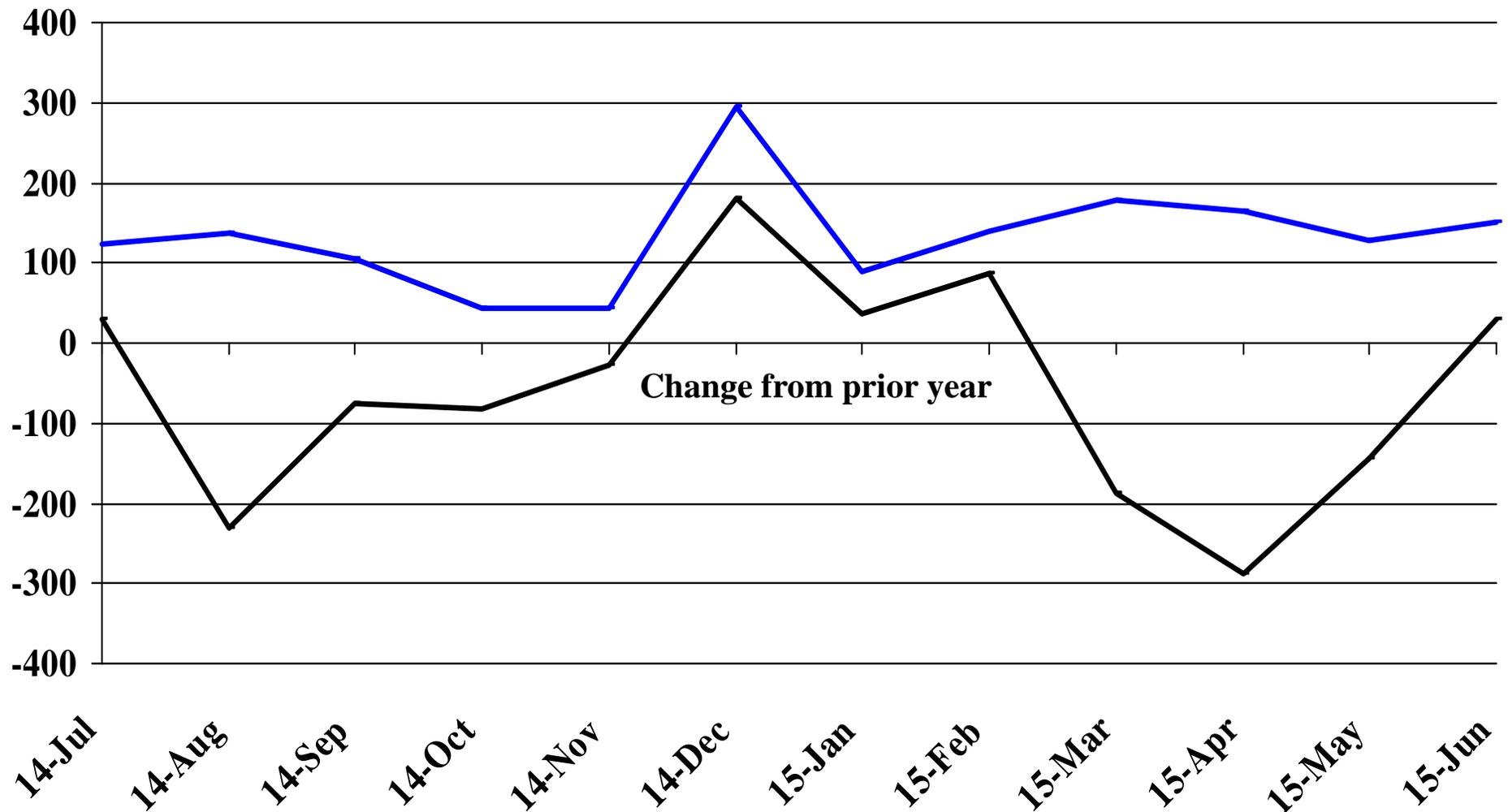
Percent Change



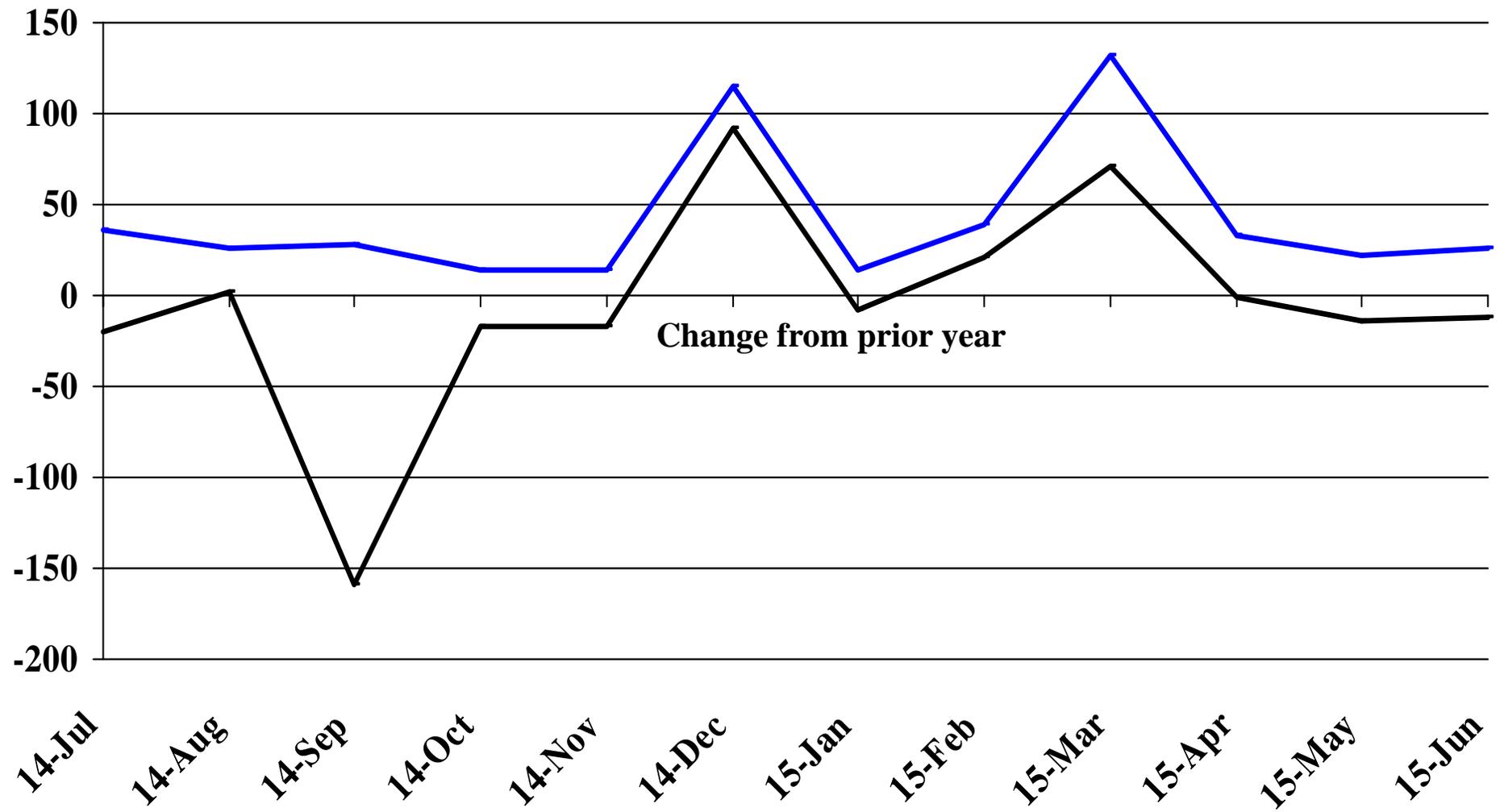
# Recent Trends in the Number of Units Authorized by Residential Building Permits for South Dakota



# Recent Trends in the Number of Residential Units Authorized by Building Permits for Minnehaha County

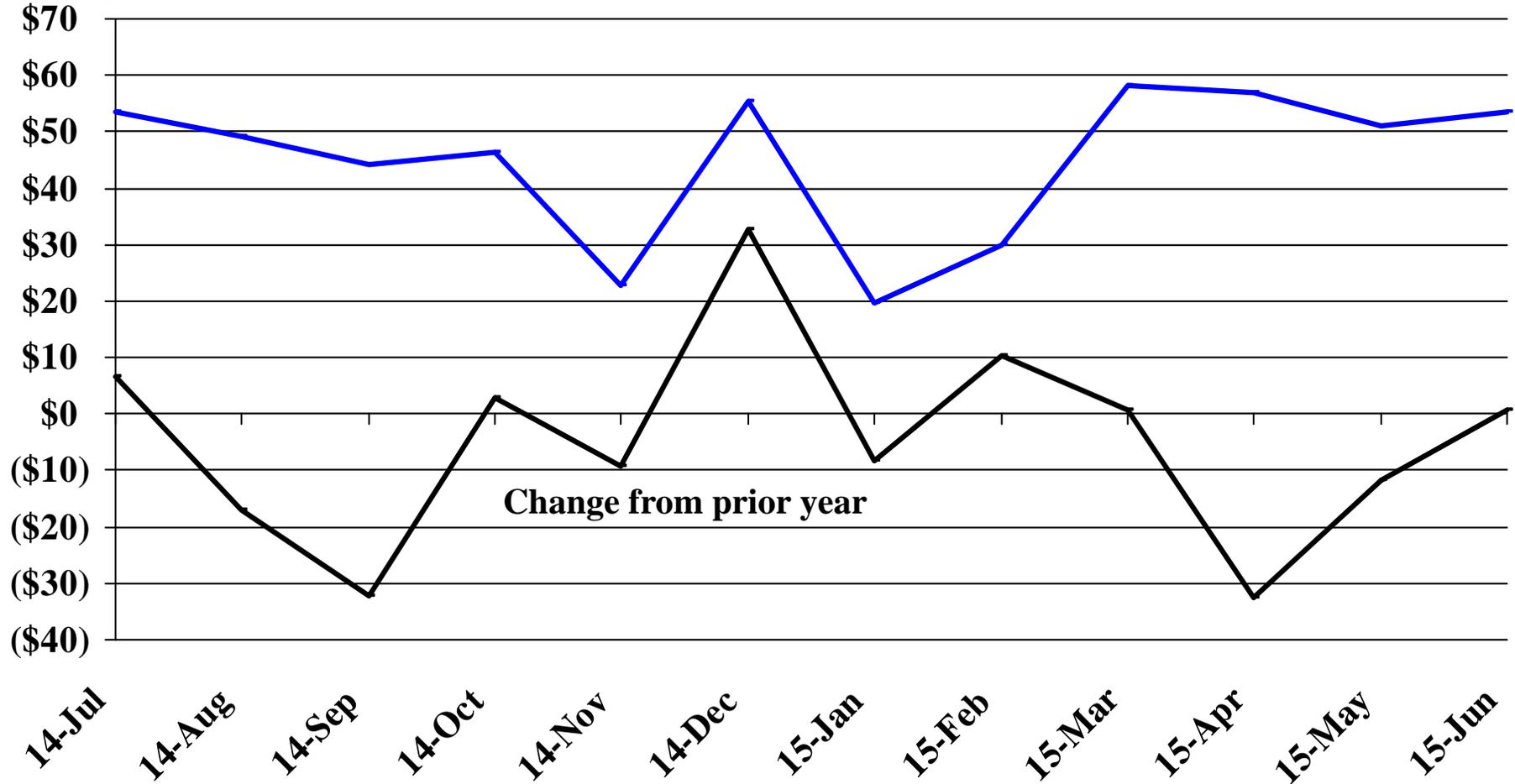


# Recent Trends in the Number of Residential Units Authorized by Building Permits for Pennington County



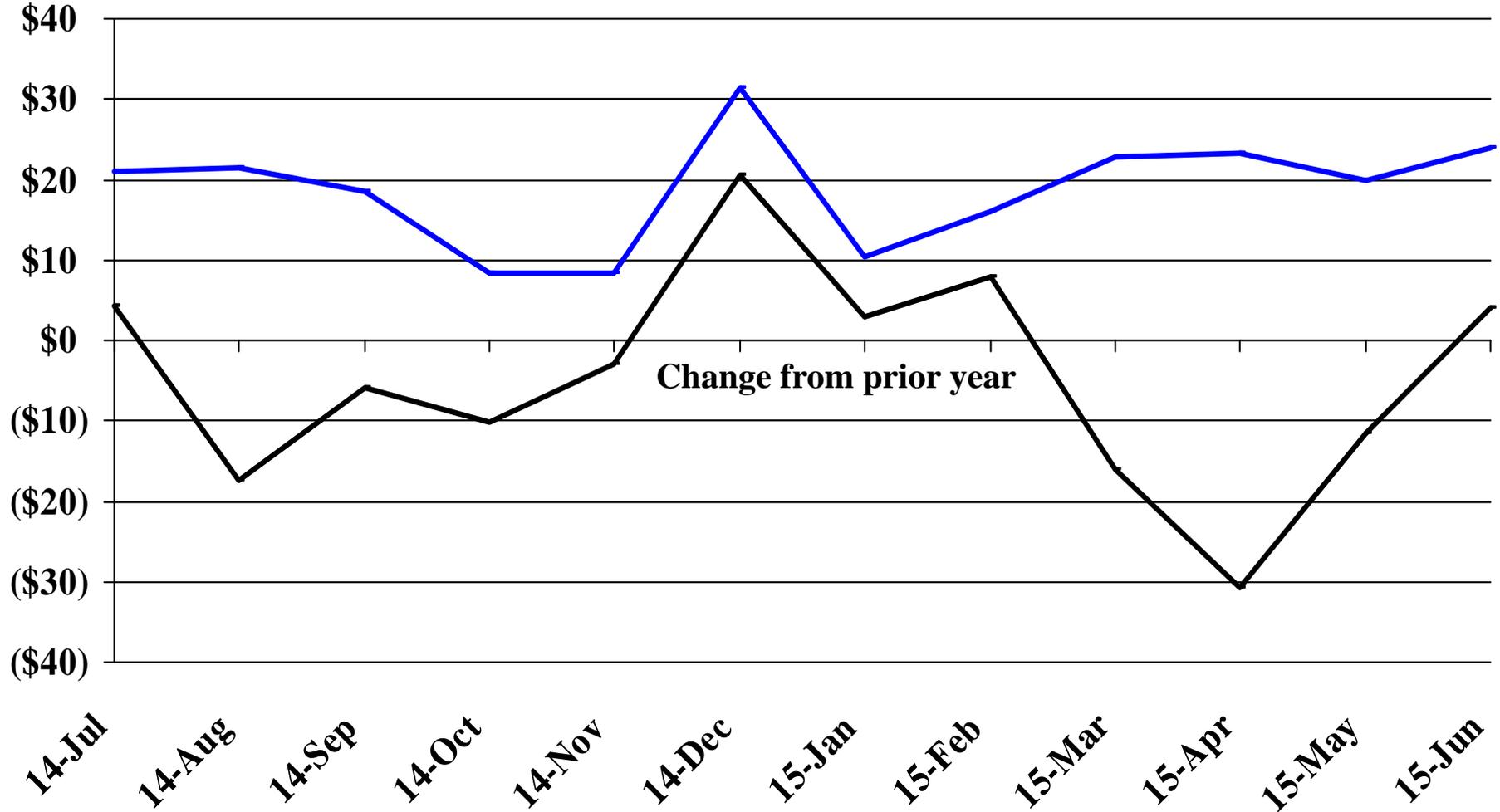
# Recent Trends in the Value of Residential Building Permits Issued for South Dakota

Millions



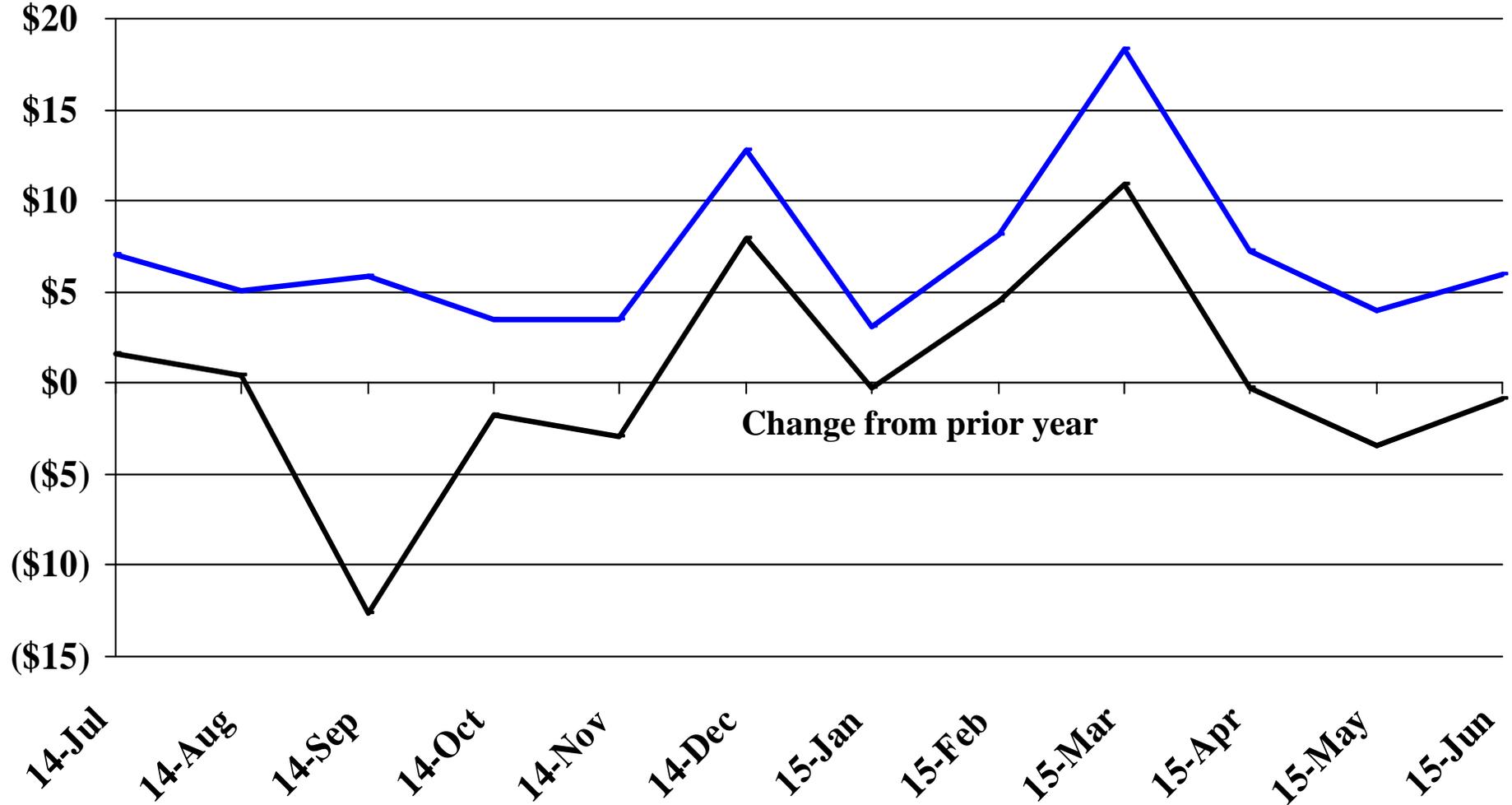
# Recent Trends in the Value of Residential Building Permits Issued for Minnehaha County

Millions

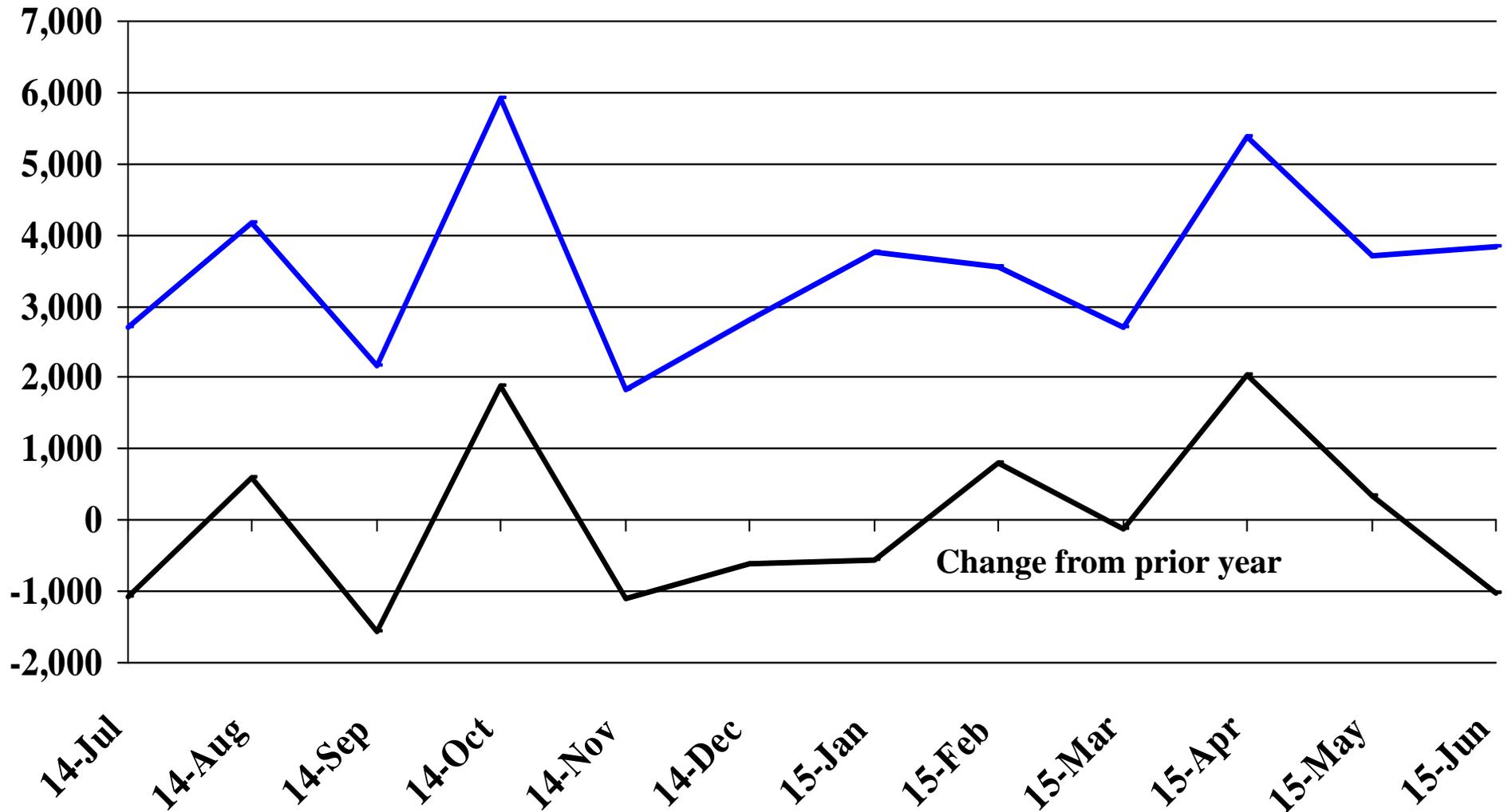


# Recent Trends in the Value of Residential Building Permits Issued for Pennington County

Millions

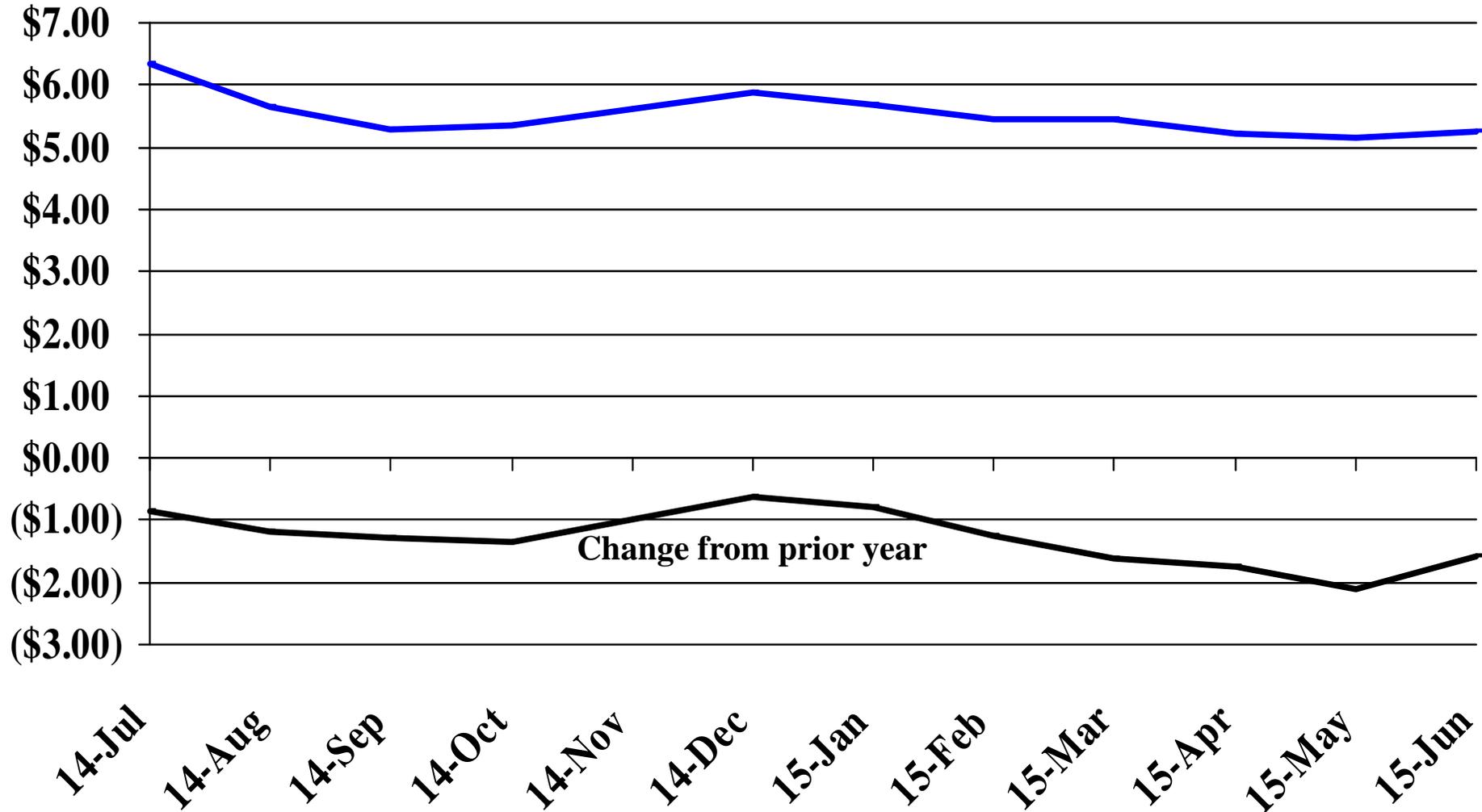


# Recent Trends in the Number of New Non-Commercial Vehicles Titled



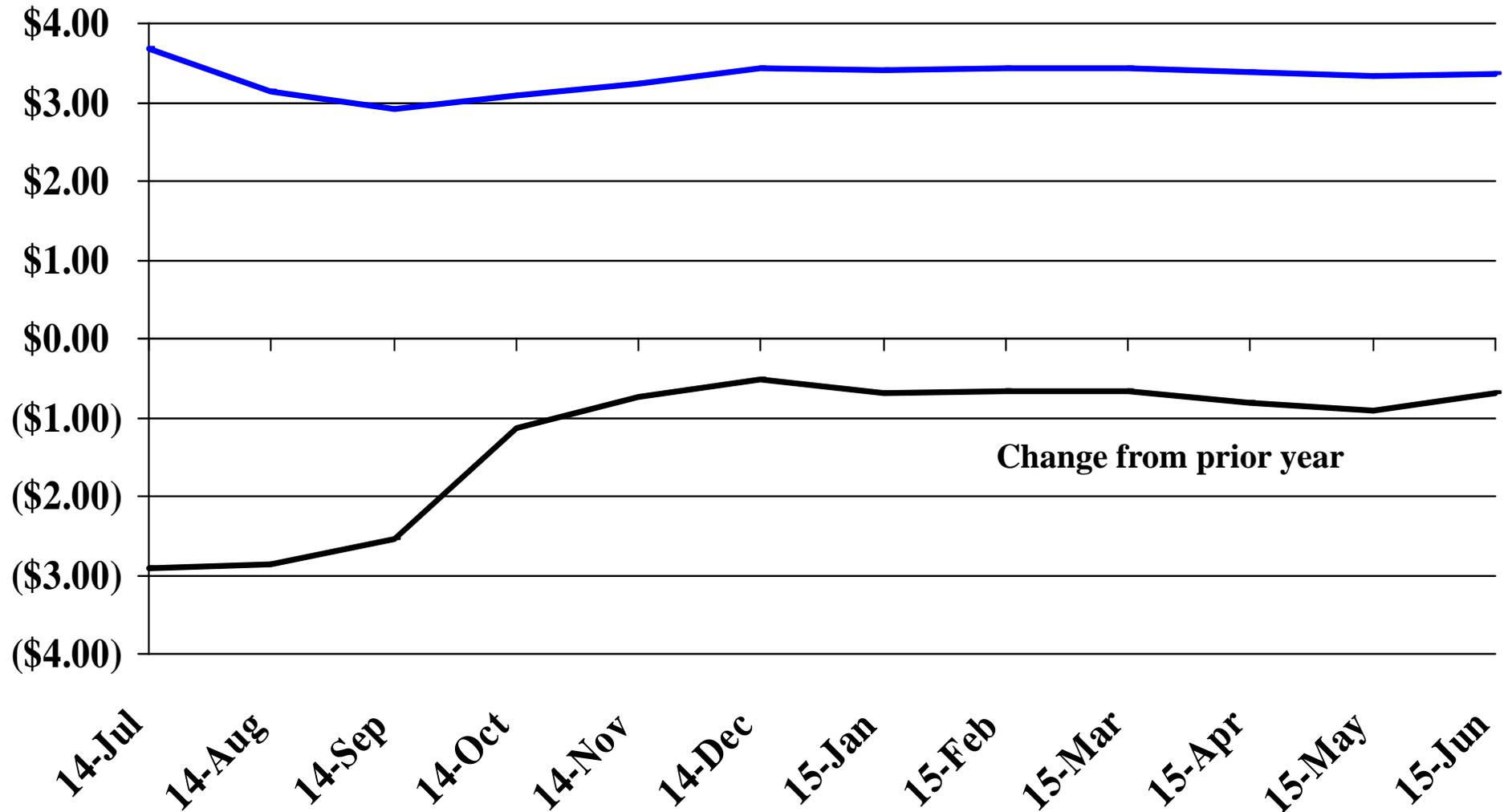
# Recent Trends in the Price of Wheat

\$'s Per Bushel



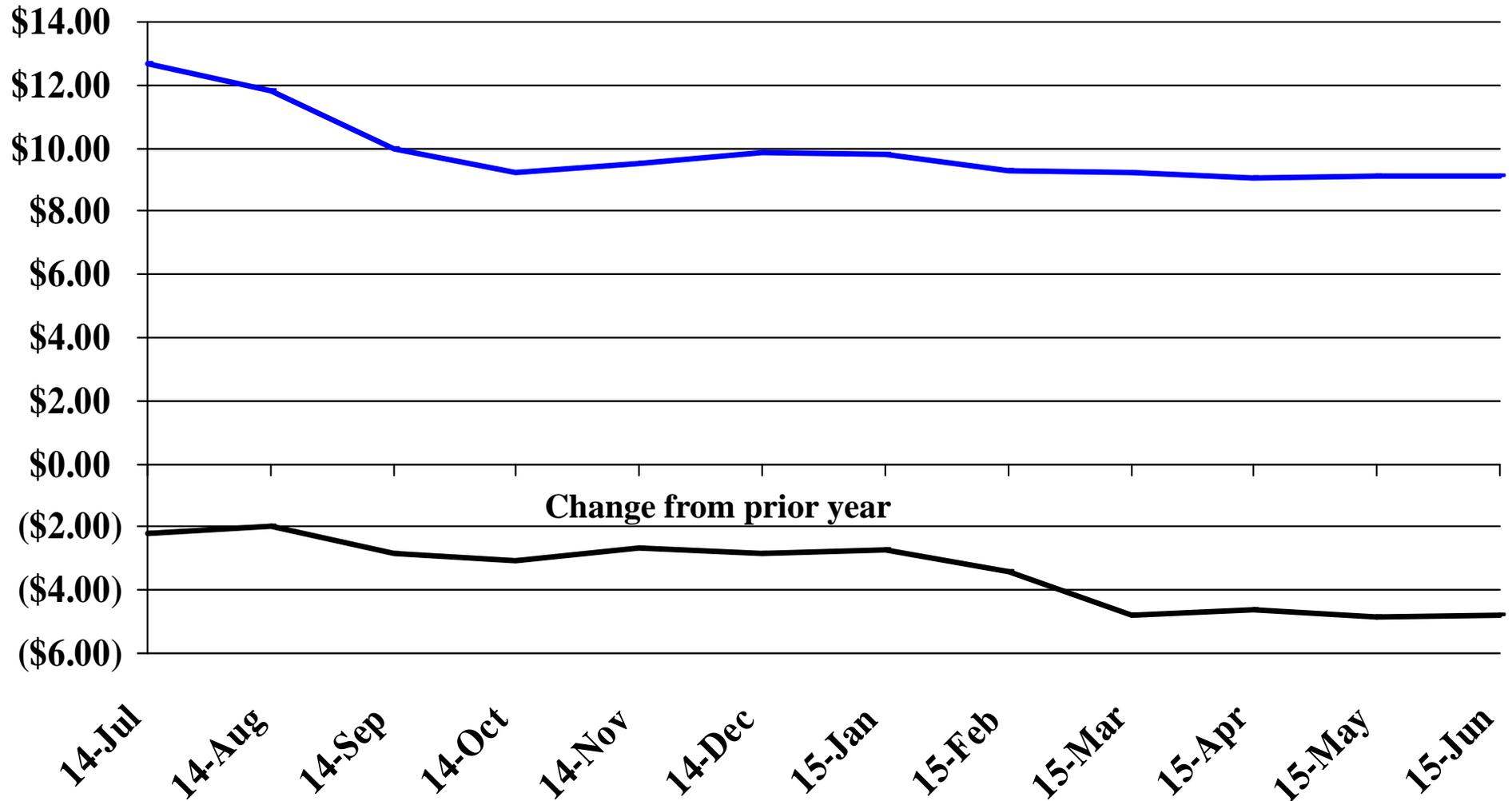
# Recent Trends in the Price of Corn

\$'s Per Bushel



# Recent Trends in the Price of Soybeans

\$'s Per Bushel



# Recent Trends in the Price of Hay

\$'s Per Ton

